EAVA-LIOLIZ

Chief, KE
Attention:
Chief of Mission, Austria

P. San 1233

Operational/GRBOUNCE

Field Comments on GECROOMD Project Outline

REF: - EAVW-1541 (with attachments) 29 July 53 (formands Project Orthine)

- 1. After review of the project outline, we see no need for its revision prior to final approval by the PRC. It covers the bulk of the activities in which we hope ultimately to be able to engage and provides for the personnel, funds and supplies needed for the accomplishment of operational objectives. In addition, it has sufficient flexibility, especially when the possibilities for later amendments are taken into account, to afford a realistic adjustment of operational effort whenever such may be required by our re-evaluation of practical conditions in the field, or by actual changes in those conditions.
- 2. Our principal negative comment would be that field thinking with respect to certain aspects of the overall paramilitary effort has changed rather markedly since the preparation of the operational estimates on which the project outline was clearly based. This statement should in no sense be taken as an adverse criticism of Washington's efforts in the preparation of the outline, since in some cases, headquarters has not yet been informed of these changes in field concepts. Unfortunately, it is not feasible to re-evaluate the paramilitary picture at regular intervals and produce neat and clearly-defined statements of the results with minimum delay. As Washington will doubtless appreciate, re-evaluation is and should be a continuing process. Various members of the Mission competent to discuss the paramilitary field are consulted and given opportunity to contribute their own thinking to the overall effort. Before the Mission as a whole can produce a definitive status report and operational program, time inevitably passes. The result is that field thinking necessarily is with respect to local operations ahead of Washington, which is in fact almost bound to rely for information on what the field has reported during earlier periods.
- 3. A rather intensive period of operational re-evaluation, including the paramilitary field, is now in progress here. We expect that the results will begin to arrive in Washington within the next 30 days. In terms of the changes we believe will be required in our effort, we expect that project amendments will perhaps be necessary after a while. We do not believe, however, that such changes will be basic or that they will in any way justify further delay in the processing of Project GRCROUND.

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GRCROOND Ops. Corres. Gile Field comments on GRCROOND Project Outline

- 4. The following are the comments felt to be appropriate at this time; they are keyed to the subdivisions in the project outline itself:
  - a. Para. 4 A (3) (c): We interpret this objective as in fact incorporating present assets under GRDAGGER/PM and GRLAUNCH, the latter with respect to the Salsburg-Tirol area. You should by now be in receipt of RASA-1543, 21 June 1953, of which paragraph h well sume up our current thinking with respect to GRIAUNCE. In brief, we no longer consider this project as a reasonably dependable asset on which KUBARK war planning can properly be based, although we recognize the possibility that elements of it may still exist and be available for operational use when war begins. We have thus placed it on a holding basis in our consideration (it is stressed that the Principal Agent has not been served notice of any basic change in our attitude). It will, of course, be our intent and endeavor to avoid alienating the goodwill of the Principal Agent or his chief subordinates. It may be possible to achieve this by convincing the Principal Agent that our suspension of operational effort is the result of broad paramilitary policy over which we locally have no control, and not because of any dissatisfaction with him or his group (it has been noted that the Principal Agent has at times appeared to belive that his activities receive attention at very high levels). This will, of course, be a problem which the case officer will have to feel his way through. In conclusion, however, we emphasize again that we cannot continue to count on ORLAUNCH in our minds as a paramilitary asset, and we expect that our future relations with the project will be fundamentally different from those which we shall maintain with GRDAGGER in this sphere.
  - b. Para. 4 C (1) (c) and (d): The same comments apply to these sections as to the preceding paragraph.
  - c. Para, & C (2): Since this section deals again largely with GRLAUNCH, the second paragraph of it, concerning the Salaburg and Tirol groups, is no longer applicable.
  - d. Fara. h C (3): With regard to the present status of certain of the E & E projects, the following considerations should be noted:
    - (1) Project GRREPAIR may have to take care of a larger segment than originally envisaged, because of inadequacies which have developed in Projects GRPIGLET and GRGIVING. No steps have been taken in this direction as yet, but in general, we shall have to use spotting assets (of which GRREPAIR 3 is one) as the situation may demand. To date, both GRPIGLET 1 and GRGIVING 1, as progress and contact reports for these projects have made abundantly clear, have proven extremely disappointing with respect to spotting; in fact, this weakness is the chief reason for lack of real progress under both these projects. We consider it quite likely that we

shall have to develop new Principal Agents for the eastern end of the line, and it is conceivable that GRREPAIR 3, as well as perhaps other station agents, may be able to assist in a purely spotting role.

- (2) OROIVING 1, we can now state with certainty, is not and never will be a Principal Agent. All we can hope for from him is that he will be available as a W/T operator, in which role he is adequate.
- (3) GRPIGIET 1, whome we shall exploit for whatever we can get out of him, is also undoubtedly to be discounted fully as a Principal Agent. The reasons for this include his obvious paramount interest in his new job for ex-King Leopold, which keeps him out of the area in which we are interested except for short and irregular periods, and his expressed disillusionment with KUBAHK as a result of his stay in the U.S. and the slowness with which the project has developed in the field.
- e. Para. 5 A (3): Comments above regarding GRIAUNCH apply here as well.
- f. Pare. 5 D (2): The final sentence of this paragraph appears a trifle too cheerful to be consistent with the results of the assessments and other recent traffic transmitted to headquarters.
- 5. Over and above the revisions which we feel may ultimately be necessary to "cancel out" operational aspects which are no longer applicable (which revisions are not, we emphasize, necessary within the immediate future, prior to the time at which the project is submitted for formal appreval), we also foresee eventual amendments to cover the carrying out of activities not now apecifically mentioned in the present project outline. These activities will be covered in detail in a dispetch on proposals for a revised paramilitary program soon to be prepared. Among the new activities we shall propose in this program are such operations as the recruitment and training of individual "leader types" (who will not be incorporated into any nuclei during the prewar period) from locations in all parts of Austria; preparation of operational briefing folders for the more important probable wartime areas; and establishment of small one-man chohes in various locations for use of wartime agents. whether now spotted or not. In essence, herever, the addition of such activities will not conflict with, but will rather supplement the objectives set forth in the project outline. They will also involve only small outlay of cash or supplies.
- 6. To sum up, although we desire that the Washington desk keep the above comments in mind in evaluating the status of our existing paramilitary operations, we are fully satisfied with the project outline of GRCROOND and appreciative of the effort which has been put into it. We should appreciate

earliest possible advice regarding any important future dhanges which may occur with respect to it, such as formal approval, financial plans, revisions, etc.

3. ...

28 August 1953

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